Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

Voluntary Report - public distribution

Date: 10/30/2001

GAIN Report #IT1025

Italy

Grain and Feed

Update

2001

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Report Highlights: This year grain production in Italy is reported to have been reduced by excess fall rains affecting wheat for bread plantings and spring rains delaying corn plantings. Drought negatively affected durum wheat and corn, and August heat affected milled rice output. Total grain production is estimated some 6 percent lower than last year's output.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Rome [IT1], IT

BREAD WHEAT

The downward trend of planted area continued even this year, due to both the reduced appeal of this crop to the growers, in terms of profitability, and bad weather during the 2000 fall, which damaged the planting operations. As a result, bread wheat production in 2001 is estimated at no more than 2.85 MMT, or the lowest level of the last decades. Bread wheat imports, on the other hand, are expected to rise in 2001/02 to about 5.2 MMT, although the share of the imports from other EU countries is expected to decline sharply, in line with reduced crops, reported especially in France and the U.K. Imports from non-EU countries, therefore, are expected to increase remarkably, favored by the recently announced removal from the EU of the 10 Euros/MT additional levy for grain imports from the Black Sea countries (as well as the Baltic and Mediterranean countries). Italian imports from those countries, in particular Russia and Ukraine, could reach, according to the trade, up to 0.8 to 1 MMT, of which an important share would be feed wheat. Imports from the U.S., finally, are expected to grow to at least 600,000 tons. The approximate quantity of 500,000 tons of Dark Northern Spring imported each year in 1999/2000 and 2000/01, is likely to be repeated in 2001/02. For the first time in the recent past, shipments to Italy of Soft Red Winter Wheat are also reported. In fact, last summer some 50,000 to 70,000 tons of SRW have been bought by Italy, thanks to the unusually low EU import duty for "low quality" bread wheat applied in that period. Further shipments in the next months will depend on both the international market situation and the actual levies applied by the EU.

DURUM WHEAT

Despite a marginal planted area increase, durum wheat production is estimated to drop by 16 percent from 2000 to about 3.5 MMT. Persistent drought during most of the year badly affected final yields, especially in Apulia, traditionally the leading producing region, where production has been halved from last year. Crop quality, as well, is reported poor for many parameters considered crucial by the local pasta industry. As a consequence, imports into Italy are expected to rise to about 2.1 MMT. Of this about 400,000 tons will come from the U.S. , some 130,000 to 140,000 of desert durum, and the remainder from North Dakota.

BARLEY

Production is estimated lower than last year’s, both because of a slightly declined planted area, and due to adverse weather affecting yields, as reported for bread wheat. Barley imports come exclusively from other EU countries.

CORN

Corn production in 2001 is preliminarily forecast virtually unchanged or slightly lower than in 2000, despite the further growth (+5 percent) of planted area. Weather conditions have been generally unfavorable since last spring, when the excess of rains reported in the Po valley, where corn production is concentrated, delayed planting operations, which in most case could be completed only in late April on excessively wet fields. Afterwards, the very dry conditions reported in the last three weeks of August adversely affected the crop, particularly in the areas where irrigation support is less adequate. Crop yields, as a result, are estimated in some cases up to 10-15 percent lower than last year.

RICE

Planted area is reported slightly lower than in 2000, due to the further decline for Japonica varieties, while plantings to Indica rice rose further, although slightly (+843 hectares). While paddy rice yields are expected on normal levels, slightly over last year's, yields from paddy into milled rice are forecast on the low side, due to the excessive temperatures reported last summer, especially in August. Last year's production decline favored an improvement of the local market situation, with virtually no deliveries to the intervention. Intervention stocks of paddy rice, in fact, during 2000/01 dropped from 374,000 tons to 270,000 tons, and could further decline in 2001/02, when only minimal amounts are expected to be delivered by the farmers.

PSD TABLES

WHEAT

PSD Table						
Country	Italy					
Commodity	Wheat				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		07/1999		07/2000		07/2001
Area Harvested	2391	2387	2318	2330	2250	2306
Beginning Stocks	400	850	300	750	450	750
Production	7341	7328	7272	7317	6000	6350
TOTAL Mkt. Yr. Imports	6189	6222	6875	6699	7550	7300
Jul-Jun Imports	6189	6222	6875	6699	7550	7300
Jul-Jun Import U.S.	708	861	0	859	0	1000
TOTAL SUPPLY	13930	14400	14447	14766	14000	14400
TOTAL Mkt. Yr. Exports	2869	2996	2750	3046	2650	2850
Jul-Jun Exports	2869	2996	2750	3046	2650	2850
Feed Dom. Consumption	700	1200	1100	1550	900	1450
TOTAL Dom. Consumption	10761	10654	11247	10970	11050	10850
Ending Stocks	300	750	450	750	300	700
TOTAL DISTRIBUTION	13930	14400	14447	14766	14000	14400

DURUM

PSD Table						
Country	Italy					
Commodity	Wheat, Durum				(1000 HA)	(1000 MT)
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Harvested	0	1691	0	1664	0	1676
Beginning Stocks	0	500	0	400	0	300
Production	0	4100	0	4165	0	3500
TOTAL Mkt. Yr. Imports	0	1371	0	1551	0	2100
Jul-Jun Imports	0	1371	0	1551	0	2100
Jul-Jun Import U.S.	0	328	0	370	0	400
TOTAL SUPPLY	0	5971	0	6116	0	5900
TOTAL Mkt. Yr. Exports	0	1966	0	2269	0	2100
Jul-Jun Exports	0	1966	0	2269	0	2100
Feed Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	0	3605	0	3547	0	3500
Ending Stocks	0	400	0	300	0	300
TOTAL DISTRIBUTION	0	5971	0	6116	0	5900

BARLEY

PSD Table						
Country	Italy					
Commodity	Barley				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		07/1999		07/2000		07/2001
Area Harvested	354	353	345	344	350	341
Beginning Stocks	0	100	30	100	29	100
Production	1329	1313	1227	1262	1225	1187
TOTAL Mkt. Yr. Imports	709	596	550	694	550	700
Oct-Sep Imports	725	631	550	700	550	700
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	2038	2009	1807	2056	1804	1987
TOTAL Mkt. Yr. Exports	5	5	1	3	0	0
Oct-Sep Exports	3	2	1	3	0	0
Feed Dom. Consumption	1660	1500	1377	1500	1325	1450
TOTAL Dom. Consumption	2003	1904	1777	1953	1775	1887
Ending Stocks	30	100	29	100	29	100
TOTAL DISTRIBUTION	2038	2009	1807	2056	1804	1987

CORN

PSD Table						
Country	Italy					
Commodity	Corn				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		07/1999		07/2000		07/2001
Area Harvested	1032	1028	1100	1064	1200	1113
Beginning Stocks	476	600	974	800	853	800
Production	10058	10017	10265	10137	11000	10000
TOTAL Mkt. Yr. Imports	629	648	600	527	300	500
Oct-Sep Imports	546	547	600	500	300	500
Oct-Sep Import U.S.	24	9	0	5	0	5
TOTAL SUPPLY	11163	11265	11839	11464	12153	11300
TOTAL Mkt. Yr. Exports	89	89	50	186	50	200
Oct-Sep Exports	147	197	50	180	50	200
Feed Dom. Consumption	9020	9400	9800	9400	9600	9500
TOTAL Dom. Consumption	10100	10376	10936	10478	10800	10500
Ending Stocks	974	800	853	800	1303	600
TOTAL DISTRIBUTION	11163	11265	11839	11464	12153	11300

RICE

PSD Table						
Country	Italy					
Commodity	Rice, Milled				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		09/1999		09/2000		09/2001
Area Harvested	221	221	220	220	220	218
Beginning Stocks	245	159	238	231	139	200
Milled Production	884	884	728	728	880	730
Rough Production	1431	1431	1179	0	1425	0
MILLING RATE (.9999)	6176	6176	6176	0	6176	0
TOTAL Imports	73	62	78	70	75	75
Jan-Dec Imports	75	24	80	72	80	75
Jan-Dec Import U.S.	19	0	0	21	0	20
TOTAL SUPPLY	1202	1105	1044	1029	1094	1005
TOTAL Exports	628	613	630	575	630	580
Jan-Dec Exports	625	625	630	610	625	580
TOTAL Dom. Consumption	336	261	275	254	320	250
Ending Stocks	238	231	139	200	144	175
TOTAL DISTRIBUTION	1202	1105	1044	1029	1094	1005